



How to...

*manage tenancies in a
changing landscape*



How to manage tenancies in a changing landscape

1 It's no exaggeration to say that change is constant in the housing industry - but the pace and scale of recent changes, and of those still to come, are perhaps unprecedented.

Wide-ranging changes to the policy and legal context – with welfare and tenure reform as just two examples - mean that accepted 'wisdoms' and ways of doing things may need a rethink if your services are to remain effective, efficient and responsive to customers' needs.

This 'How to...' guide is intended for CIH members who are involved in managing tenancies, either in a management or front-line position. It highlights some things to think about so that you continue to get the basics right in a changing environment.

Getting things off to a great start

The relationship with a tenant begins long before they receive the keys to their new home, and time and effort invested in these early stages can help to support a problem-free, sustainable tenancy. The potential impact of welfare reform measures, such as the bedroom tax, benefit cap and support for housing costs (currently housing benefit, and in the future, universal credit) being paid directly to working age tenants, will all pose a significant challenge to your ability to bring in rental income. With this in mind, you may need to consider focusing on rent payment and support with money matters, along with wider support needs, as part of preparing people to become tenants.

Things to consider

- Focus on getting the right people in the right homes – while this may add a week or two to the overall void period, this will be a sound investment compared to the cost of a failed tenancy
- Analyse the reasons for failed or abandoned tenancies – are there any common patterns and/or groups of people who are more likely to struggle? What can you do to address this?
- Is there scope to offer a pre-tenancy training programme or workshop covering topics like managing on a tight budget, running a home, doing minor repairs which are the tenant's responsibility, and job searching for unemployed people?
- Aim to 'drip-feed' information about what it means to be a tenant – start as early as the point of application and reinforce it at offer stage, viewings and any other pre-sign-up contact that you have
- Try not to bombard people with information at the sign-up meeting – they will only be able to absorb so much. Focus on what you consider to be the most important things such as rent payment, neighbourly behaviour and asking for help if needed. Other information can be given at a later stage, for example, at the settling in visit
- Make sure that tenants understand what type of tenancy you are offering them, for example, an introductory or starter tenancy followed by a two or five year fixed term tenancy - and what will happen when the tenancy comes to an end
- Make sure you understand the full range of tenancies that your organisation offers, the process for granting, and ending, different types of tenancy, how tenants' rights may differ and which tenancy agreements to use in different circumstances
- Ask tenants what they found most and least helpful about your pre-tenancy service – this will help you to improve and develop it further.

Learning from others

Bron Afon Community Housing runs a pre-tenancy training programme for 16-25 year olds, a group which had a high tenancy failure rate historically. The programme covers financial capability, cooking on a budget, being a good neighbour, visiting a vacant home to see what it will look like when they move in and help to find furniture. Young people have one to one support from Bron Afon's 'Own Two Feet' team as they move in and afterwards. As their support needs diminish they are included in the Youth Forum so that contact is maintained. Thirty young people have been through the programme in the last two years with no failed tenancies.

Contact: Maria Jones maria.jones@bronafon.org.uk

Homes in Sedgemoor aims to make sure all new and transferring tenants have a positive experience and fully understand what it means to take on a tenancy. It runs weekly 'welcome events' which family members or support workers are encouraged to attend. Sessions include:

- a presentation on the basic terms of the tenancy and what this means
- services provided by Homes in Sedgemoor
- information about basic bank accounts, benefits and contents insurance
- someone from the Council's housing benefits team to help with making claims, advise on welfare reform and deal with any queries
- partners offering employment and training opportunities which also link to Homes in Sedgemoor's job club and social enterprise initiatives
- tenancy sign-up including taking a photo of the new tenant.

The presentation and sign-up takes about 60 minutes and overall satisfaction is high with tenants stating they find the sessions useful and informative.

Contact: Claire Tough claire.tough@homesinsedgemoor.org

Orbit Heart of England has developed an Excel-based sustainability/affordability checker. This is used at tenancy offer stage to assess potential tenants' income and expenditure as well as their health and social vulnerabilities and tenancy management skills. The checker generates a 'sustainability index' with a score of 16 points or over indicating that further discussion is needed. A support referral is then automatically generated to ensure targeted help and support is provided. Although Orbit Heart of England has used the checker to refuse a small number of tenancies, the focus is very much on promoting support services and helping customers identify and recognise the likely costs of running their new home.

Contact: Patrick Wreford patrick.wreford@orbit.org.uk

How well do you know your tenants?

Good quality, up-to date information about your tenants and their households is an important aid to effective tenancy management. It will help you to plan and tailor the service that you deliver to meet tenants' individual needs.

Top tips

- Make sure that you collect and hold data securely and use it only for the purposes stated in line with the requirements of the Data Protection Act 1995
- Review the information you already hold about your tenants and their households – are there any gaps and what are the best ways to fill these?

- Many landlords are now expanding the information they hold to include access to IT and banking status – both are important for working age tenants affected by welfare reform as they will need to be able to make and manage universal credit claims online and will need bank accounts for benefit payments
- Make the most of opportunities to gather and check information including:
 - housing applications
 - sign-ups and settling in visits
 - when tenants make contact to access services
 - annual tenancy visits
 - gas servicing and repair visits
- Use resident involvement opportunities and satisfaction surveys to enhance your understanding of your tenants and their aspirations. Think about how you can seek the views of those who choose not to engage with existing involvement mechanisms.

Learning from others

Recognising that some customers are reluctant to engage or complete surveys, **One Vision Housing** established the 'Tenant Talk' initiative. Staff ask customers just three questions during everyday service delivery or during the annual tenancy audit process:

- are you happy with the services One Vision Housing provides?
- is there anything we could improve on?
- is there anything we do particularly well?

The resulting information gives One Vision Housing a clear picture of what customers think of its services, particularly at a local level, and has led to improvements such as taking action on a run-down property and better promotion of social activities in a sheltered housing scheme.

Let's swap?

In areas with high levels of housing need and few suitable homes for people to move into, landlords have for some time made good use of mutual exchanges to meet the needs of at least two households and make best use of homes.

The introduction of the bedroom tax means that working age people under-occupying a social rented home face a reduction in housing benefit. With smaller homes in short supply in many areas, landlords are increasingly using mutual exchanges as a way to help tenants to down-size.

This is a key tenancy management issue, which is likely to become an increasingly significant part of your day-to-day work, both in terms of administering the exchanges themselves and in relation to the legal position of some parties following the Localism Act 2012.

Getting it right

You should usually carry out mutual exchanges between tenants via a deed of assignment where each tenant steps into the other's shoes and takes over the other tenant's tenancy type and terms. New tenancy agreements are not signed.

However, provisions in the Localism Act 2012 cover those circumstances where:

- at least one of the tenants who wishes to transfer has a secure or assured tenancy, which began before 1 April 2012, and
- at least one of the tenants has a flexible tenancy or a fixed term assured shorthold tenancy.

Such exchanges must be done by surrender and then granting of new tenancies. You must grant the tenant(s) whose secure or assured tenancy predated 1 April 2012:

- a secure (not flexible) tenancy, (if you work for a local authority) or
- an assured (not assured shorthold) tenancy (if you work for a housing association).

Existing tenants will therefore retain similar security of tenure to that of their original tenancy. These provisions do not apply where an existing secure or assured tenant chooses to exchange with:

- someone with a fixed term tenancy of less than two years
- someone with a tenancy at an affordable rent, intermediate rent, mortgage rescue properties and shared ownership leases.

In summary, this means that:

- someone with a pre-April 2012 secure or assured tenancy can exchange with any other social tenant and be sure of keeping their existing level of security
- if such a tenant wanted to swap with a tenant who pays an affordable rent, there would be no legal guarantee of security in the new tenancy. You may choose to offer a secure or assured tenancy – but it depends on what is in your organisation's tenancy policy
- tenants of affordable rent properties have the same rights to exchange as other tenants. If they exchange with a tenant who is not a pre-April 2012 tenant, you should carry out the exchange in the 'normal' way, via deed of assignment.

Visit: [CIH practice online](#)

Things to consider

- Have you updated your policies and procedures to reflect the provisions of the Localism Act 2012?
- As the number of mutual exchanges is likely to increase, will you be able to cope with the additional workload? Aim to make sure that processes are stream-lined and efficient to avoid unnecessary delays and wasted resources
- Consider the business case for creating a dedicated 'matchmaker' who will also administer exchanges
- If mutual exchanges are carried out by staff involved in other tenancy/ housing management activities, make sure that they are given sufficient priority and carried out promptly – tenants will be accruing rent arrears while they wait
- Make sure that you understand how to carry out a mutual exchange, particularly if the people involved have different tenancy types – see above
- Provide clear customer information – tenants need to understand how an exchange differs from a transfer, and what it means for them if they swap with someone with a different type of tenancy to their own.

Legally occupied?

Social housing is a valuable asset and it's important to make sure that it's used appropriately. Tenancy fraud prevents you from offering homes to those in most need and, if you don't know who is living in your homes, it can limit your ability to deal effectively with anti-social behaviour, repairs issues and general neighbourhood sustainability. Tenancy fraud includes:

- not using the property as the sole or principal home including:
 - abandoning the property
 - succeeding to or assigning the tenancy, without the landlord's permission, after the legal tenant has moved out or died
 - unlawfully subletting the entire property.
- attempting to obtain a property using false statements, for example, falsely claiming to be homeless
- attempting to obtain a property by using false documents, for example, using a forged passport or claiming to be someone else in order to access social housing.

Things to consider

- Develop a statement and policy on your stance on tenancy fraud
- Review your identity verification procedures for tenancy sign-up or transfer - train and support staff to do it effectively
- Aim to conduct home visits prior to offering a tenancy or transfer – someone's circumstances can change significantly between application and sign-up
- Consider sharing data with other parties to verify applicant's details
- Aim to provide awareness training for all staff and contractors so that they know how to spot the signs that a home may not be occupied by the legal tenant and can report their suspicions
- Conduct regular, thorough tenancy audits – and use these as opportunities to fill in gaps in your customer profile information, check household composition, provide advice on benefit entitlement and employment opportunities and consider the need for services such as adaptations if tenants are sick or disabled
- Explore the scope to offer a 'hotline' or email address for reports of suspected fraud
- Provide information about tenancy fraud to your customers and publicise your success in tackling it using newsletters, leaflets and the local media
- Consider the potential to have a dedicated tenancy fraud investigator – is it feasible to share a post with other providers or to 'buy-in' services from the local authority or other landlords?

Bringing things to an end

It's important to end tenancies correctly and you need to have clear policies and procedures to follow when carrying out this key process.

Top tips

- Visit as soon as you know the tenant intends to leave:
 - discuss payment of any rent due – this will be particularly important under universal credit, when tenants will receive support for their housing costs a month in arrears
 - inspect the property, take photos and agree any remedial works the tenant must do and/or any rechargeable repairs
 - obtain a forwarding address
- Provide tenants with information on what to do when moving out
- Try to get feedback on why they are leaving and on their experience of their home and the services they've received – analyse this to inform service delivery and relevant strategies and policies
- Use the notice period to find a new tenant

- If the tenancy is ending because you have served a notice to quit and are taking possession proceedings due to a breach of tenancy, aim to:
 - continue to make and maintain contact with the tenant to remedy the situation
 - if the issue is one of ASB or nuisance, assist or encourage the tenant to get help to change his/her behaviour. Think about and act on issues such as disability, literacy, any need for drug/alcohol rehabilitation services, and referrals to support services
 - keep comprehensive records as evidence that you have done everything you can to help your tenant to sustain their tenancy
- if a fixed term tenancy is coming to an end:
 - have a clear policy and procedure for tenancy renewal and the criteria to be applied
 - make sure that staff are well trained and supported to deal with this appropriately
 - offer an internal review process for cases where you decide not to grant another tenancy.

It's a tough job...

Housing professionals have always needed to be flexible and versatile but never more so than now. Welfare reform, the varied needs of more vulnerable tenants and the closure or reduction of some support services due to Supporting People cuts mean that front-line housing staff are trying to meet a range of demands.

A group of CIH online students recently took part in a discussion forum about how they would describe their job to a non-housing person. The quote below sums up well the experiences of many housing staff right now.

"...It seems that more and more pressure is being put on to what was once called a 'Housing Officer'. My organisation was restructured back in 2012 and so I am now known as a generic 'Neighbourhood Officer'. It sounds simple enough, I look after a neighbourhood. But when you think about all the strands of knowledge and experience you have to draw upon I feel I should be called a social worker/ financial advisor/police investigator/surveyor/regeneration expert/gardener/negotiator/sales person/ politician and in some cases, the only person someone has spoken to for a long time so maybe a good Samaritan as well! Oh and I evict people every now and again...The needs of our society are becoming more and more complex and it seems that no one is really listening to them but things are just forced upon them whether they like it or not and we as, front line staff, are whatever we have to be at the time."

Source: CIH online learning discussion forum

Top tips for managers

- Work with your staff to support them and help them to focus on priority activities and balance any real or perceived conflicts
- Give them regular opportunities to feedback the information and intelligence they are gathering on the ground – this will help you to support them and to develop services to meet tenants' changing needs
- Make sure that policies and procedures are comprehensive, regularly up-dated and easy to access – this will help your staff to deliver consistent and responsive services
- Keep an eye on emerging issues and trends as these may raise new and/or different training and development needs for staff.

Useful resources and information

CIH practice online (CIH Chartered members have access to this resource as part of their membership)

www.cih.org/practiceonline

Working together... to create sustainable tenancies

www.cih.org/sustainabletenancies

How to... tackle tenancy fraud

www.cih.org/resources/PDF/Policy%20free%20download%20pdfs/How%20to%20tackle%20tenancy%20fraud.pdf

Tenancy fraud and data sharing: a guide for housing associations

www.cih.org/resources/PDF/Policy%20free%20download%20pdfs/Tenancy%20fraud%20and%20data%20sharing.pdf

How do I make sure tenants pay their rent

www.cih.org/publication-free/display/vpathDCR/templatedata/cih/publication-free/data/How_do_I_help_tenants_into_work_November_2013

How do I help tenants move to another home

www.cih.org/publication-free/display/vpathDCR/templatedata/cih/publication-free/data/How_do_I_help_tenants_to_move_to_another_home_October_2013

Practical implications of tenancy reform

www.cih.org/publication-free/display/vpathDCR/templatedata/cih/publication-free/data/Practical_implications_of_tenure_reform

Coming soon

- New approaches to using fixed term tenancy
- New approaches to customer insight
- How to... support tenants to find a mutual exchange

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Chartered Institute of Housing

Octavia House
Westwood Way
Coventry CV4 8JP
Tel: 024 7685 1700

www.cih.org